



Jordan Investor Confidence Index

Update for February 2018

The **Jordan Investor Confidence Index**® is a monthly-issued index published by the **Jordan Strategy Forum** that aims to measure the confidence of investors operating in the Jordanian market through three aspects: confidence in the Jordanian Dinar and the monetary system, confidence in the real economy, and confidence in the Amman Stock Exchange (ASE).

The index measures the impact of policy decisions and exogenous developments on investor confidence. Furthermore, it aims to facilitate a better understanding for investors and promote a strong decision-making process, be it in policy-making by the public sector or investing decisions by the private sector.

The production of this index complements Jordan Strategy Forum's consistent effort to promote higher levels of investment in Jordan, and a more competitive business environment that can facilitate higher quality of life for all Jordanians.

Jordan Strategy Forum's **Jordan Investor Confidence Index**® has decreased in February 2018 to reach 87.20 points in comparison to 89.27 points in January 2018, as it decreased by 2.07 points.

As for the sub-indicators; confidence in the **Monetary Sub-Index** observed a slight decrease of 0.29 point to reach 75.41 points in February 2018, as CBJ Gross Foreign Reserves dropped by 170.6 Million JDs to reach 11.81 Billion JDs for this month. While the interest rate differential remained 4% since January 2018.

Confidence in the **Real Economy Sub-Index** witnessed a decrease by 1.80 points, to reach 123.54 points, as the number of construction permits decreased to reach 2205 permits in comparison with 3308 permits in January 2018. The number of companies registered in February 2018 also decreased to reach 530 companies in comparison with 683 companies registered in January 2018. In addition, the capital of companies' registered witnessed a noticeable decrease as it reached 9.8 Million JDs in February 2018, in comparison with 16.5 Million JDs in January 2018. Also, the manufacturing quantity production index decreased noticeably by 11 points to reach 83.9 points. On the other hand, tax on the monthly real estate volume increased slightly by 0.8 Million JDs to reach 8.70 Million JDs for this month.

Confidence in the **ASE Sub-Index** observed a 0.024 points increase to reach 88.25 points in February 2018, as the ratio of inflow to outflow of foreign investment in ASE increased to reach 102%. The ASE index increased by 26.37 points to reach 2219.67 points in February 2018.

It is worth mentioning that the Investor Confidence Index aims to measure the level of confidence investors have in its three sub-indices based on the sub-indices expected values according to its trends since 2007 up until now. A decrease in the value of one of the sub-indices despite increases in its indicators means that the indicators values fell below its expected values according to the trend. Similarly, an increase in any sub-index despite decreases in its indicators means that the indicators' values stay above its expected values according to the trend.

Changes in JICI and its Sub-Indices: December 2017 to February 2018

Index Value	December 2017	January 2018	February 2018
JICI	90.94	89.27	87.20
Monetary	76.02	75.71	75.41
Real Economy	125.03	125.34	123.54
Stock Exchange	89.89	88.23	88.25

Jordan Investor Confidence Index and its Sub-Indices since January 2016

